

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 7
)	
BAYOU STEEL BD HOLDINGS, L.L.C.,)	Case No. 19-12153 (KBO)
<i>et al.</i>)	
)	
Debtors.)	
)	
George L. Miller, in his capacity as the)	
Chapter 7 Trustee for the jointly)	
administered bankruptcy estates of Bayou)	
Steel BD, L.L.C., <i>et al.</i> ,)	
)	
Plaintiff,)	Adv. Proc. No. 21-51013 (KBO)
)	
v.)	Related Docket to Nos. 25 & 27
)	
Black Diamond Capital Management,)	
L.L.C.; BDCM Opportunity Fund IV, L.P.;)	
Black Diamond Commercial Finance,)	
L.L.C.; Sam Farahnak; Phil Raygorodetsky;)	
Rob Archambault; Terry Taft; and Bob)	
Unfried,)	
)	
Defendants.)	
)	

**ORDER GRANTING IN PART AND DENYING IN PART
DEFENDANTS' MOTIONS TO DISMISS THE COMPLAINT**

For the reasons set forth in the accompanying Memorandum Opinion, it is hereby **ORDERED** that the *Independent Directors' Motion to Dismiss* [Adv. D.I. 25] and *Defendants BDCM Opportunity Fund IV, L.P., Black Diamond Commercial Finance, L.L.C., Sam Farahnak, and Phil Raygorodetsky's Motion to Dismiss the Complaint* [Adv. D.I. 27] (collectively, the "Motions to Dismiss") are granted in part and denied in part as follows:

1. The following Counts or claims are dismissed with leave to amend:
 - (a) Counts IV through VII;
 - (b) The claim in Count VIII for unjust enrichment with respect to the BD Lien Grant;

- (c) With respect to Bayou Holdings, the claims in Counts IX and XI for breach of fiduciary duty and corporate waste;
- (d) Count X; and
- (e) The claims in Count XII for equitable subordination asserted against the Director Defendants and BDCM.

2. The following claims are dismissed without leave to amend:

- (a) The claim in Count VIII for unjust enrichment with respect to the Distribution; and
- (b) With respect to BD LaPlace and Bayou Investment, the claims in Counts IX and XI for breach of fiduciary duty and corporate waste.

3. All other relief requested in the Motions to Dismiss is denied.

Dated: August 3, 2022
Wilmington, Delaware

Karen B. Owens
Karen B. Owens
United States Bankruptcy Judge